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Turkey

Oilseeds and Products Update

June 2013 Oilseeds and Products Update

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Report Highlights:

MY 2013 Turkish soybean area and production are estimated about 30,000 hectares and 110,000 MT. Low cotton returns helped to increase soybean planting. Turkey's production of both poultry and livestock are growing pushing the demand up for imported soybean and meal. Turkey imported a total 832,000 MT of soybeans during the first eight months of MY 2012 and US was the leading supplier with 487,000 MT. Turkey also imported 560,000 MT of soy meal and US supplied 267,000 MT. The GSM 102 credit guarantee program has helped US exports to Turkey. Total registration for both products reached US\$ 283 million so far during financial year of which US\$ 160 million were for soybeans and the rest US\$ 123 million were for soybean meal. GOT canceled the controversial biodiesel law which according to the law about one percent of biodiesel were going to be added to the local diesel production starting from 2014.

Post:
Ankara

Commodities:
Oilseed, Soybean

Author Defined:
Soybean

Soybean PSD

Oilseed, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Sep 2011		Market Year Begin: Sep 2012		Market Year Begin: May 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	12	12	20	20	30	30
Area Harvested	12	12	20	20	30	30
Beginning Stocks	644	361	401	185	486	185
Production	50	50	70	70	110	110
MY Imports	1,057	1,057	1,200	1,300	1,200	1,350
MY Imp. from U.S.	546	509	500	500	500	500
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,751	1,468	1,671	1,555	1,796	1,645
MY Exports	0	3	0	20	0	20
MY Exp. to EU	0	0	0	7	0	5
Crush	320	380	335	350	370	370
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,030	900	850	1,000	950	1,050
Total Dom. Cons.	1,350	1,280	1,185	1,350	1,320	1,420
Ending Stocks	401	185	486	185	476	205
Total Distribution	1,751	1,468	1,671	1,555	1,796	1,645
CY Imports	1,195	1,195	1,175	1,300	1,100	1,350
CY Imp. from U.S.	663	663	415	650	415	650
CY Exports	0	13	0	15	0	20
CY Exp. to U.S.	0	1	0	4	0	5

Production

MY2013 domestic soy bean planting and production estimated about 30,000 hectares and 110,000 MT. Farmers in the region switched back to corn and soybean as a result of lower than expected returns in last year's cotton crop in the Cukurova region where ninety-five percent of the local soy crop is grown.

Consumption

Both domestic broiler and egg industries had a very good start to 2013 in terms of production while domestic and export demand is strong but increasing production cost due increases in soy bean and meal prices is a concern for the industry. The Middle Eastern neighbors of Turkey are the leading export markets for Turkish broiler meat and eggs.

Trade

Total soy bean imports during the first eight month of MY 2012 were 831,000 MT.

United States (486,000 MT) and Paraguay (158,000 MT) were the leading supplier followed by Argentina (64,000 MT) and Ukraine (107,000 MT). Turkey also imported 14,500 MT of soybean from Canada during the same period.

The GSM-102 export credit guarantee program for FY 2013 helped US soy bean and meal exports to Turkey. Total registration for both products reached US\$ 283 million so far during financial year of which US\$ 160 million were for soybeans and the rest US\$ 123 million were for soybean meal.

Soybean Meal

Soybean meal PSD

Meal, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Sep 2011		Market Year Begin: Sep 2012		Market Year Begin: May 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	320	380	335	350	370	370
Extr. Rate, 999.9999	1.	0.7632	1.	0.7714	1.	0.7703
Beginning Stocks	196	205	369	300	341	278
Production	253	290	264	270	292	285
MY Imports	917	915	800	800	900	825
MY Imp. from U.S.	181	181	150	300	150	325
MY Imp. from EU	440	437	0	400	0	400
Total Supply	1,366	1,410	1,433	1,370	1,533	1,388
MY Exports	8	10	10	12	8	20
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	989	1,100	1,082	1,080	1,278	1,100
Total Dom. Cons.	989	1,100	1,082	1,080	1,278	1,100
Ending Stocks	369	300	341	278	247	268
Total Distribution	1,366	1,410	1,433	1,370	1,533	1,388
CY Imports	1,022	1,002	775	1,100	750	1,150
CY Imp. from U.S.	168	168	150	325	150	350
CY Exports	10	10	8	12	8	15
CY Exp. to U.S.	0	0	0	0	0	0
SME	989	1,100	1,082	1,080	1,278	1,100

Production

Domestic production of soy meal declined to 270,000 MT due to low crushing margins caused by limitations of soy oil usage.

Turkey has imported a total of 560,000 MT of soybean meal during first seven months of MY 2012. The US and Argentina were among the leading suppliers with 267,000 MT and 46,000 MT respectively.

Turkey continued to import large amount of EU sourced soy meal as well due to cost advantages caused by lower shipping cost and smaller cargos. Also, soy meal imports from EU sources are subject

zero import tax versus 5% from other sources. Spain (116,000 MT), Germany (77,000 MT) and Italy (3,000 MT) were the sources for EU soy meal for Turkey.

Turkey exported about 7,600 MT of soy meal during the same period N. Cyprus and Iraq were the main destination with 5,000 MT and 2,300 MT respectively.

Soybean Oil

Soybean oil PSD

Oil, Soybean Turkey	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Sep 2011		Market Year Begin: Sep 2012		Market Year Begin: May 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	320	380	335	350	370	370
Extr. Rate, 999.9999	0.	0.1921	0.	0.1943	0.	0.1946
Beginning Stocks	4	15	0	10	0	6
Production	57	73	60	68	66	72
MY Imports	1	1	0	0	0	0
MY Imp. from U.S.	0	1	0	0	0	0
MY Imp. from EU	1	0	0	0	0	0
Total Supply	62	89	60	78	66	78
MY Exports	4	4	5	12	3	5
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	23	15	22	5	28	8
Food Use Dom. Cons.	20	5	18	0	20	0
Feed Waste Dom. Cons.	15	55	15	55	15	60
-	0		0		0	
Total Dom. Cons.	58	75	55	60	63	68
Ending Stocks	0	10	0	6	0	5
Total Distribution	62	89	60	78	66	78
CY Imports	0	1	0	0	0	0
CY Imp. from U.S.	0	1	0	0	0	0
CY Exports	3	3	3	10	3	5
CY Exp. to U.S.	0	0	0	0	0	0

The GOT canceled the controversial biodiesel law which according to the law about one percent of biodiesel were going to be added to the local diesel production starting from 2014. The program was going to start with one percent in 2014 and gradually increasing to three percent in 2017. However, lack of production due to insufficient support caused program to cancel.

Turkey did not any imported soy oil so far in MY 2013. Exports however were up to 7,700 MT. N. Cyprus (1,300 MT), Sudan (1,300 MT) and Israel (1,000 MT) were the main export destinations.